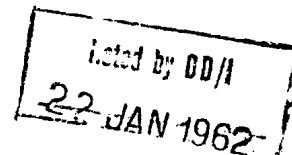


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January 19, 1962

NSC RECORD OF ACTION

SUBJECT: Review of the Military Aid Program

1. Discussed the Report of the Military Assistance Steering Group and noted the President's instructions that further reviews be made promptly of the military and economic aspects of long range US aid planning for certain major country programs. In these reviews, and in general aid planning, all concerned are to bear in mind that while we would like to have enough aid to accomplish all of our military and economic aid objectives, we are likely in any given period only to get enough appropriations to accomplish a portion of them. Therefore we must plan in terms of which mix of military and other forms of aid will best serve our overall national security aims. In this sense we must recognize that MAP and AID programs are competitive, as well as complementary, in terms both of their claim on US and local resources and their impact on the recipient countries.

2. Agreed that the following [studies] should be prepared: (a) proposed FY 1964-68 Military Assistance Plans (including the final proposed FY 1963 Program); (b) similar plans for AID programs for the comparable period; and (c) what mix of these programs should be recommended in the light of the considerations in para. 1 above, and of our appreciation of the relative threats to overall US security interests in these countries.

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(1) For Korea, this report (to be submitted by 15 June 1962) will also include such military factors as the desirable level of US forces in Korea and a reassessment of the proper military mission for US forces.

(2) For Iran, this report (to be submitted as promptly as possible and no later than 15 February) will take account of relevant political factors.

(3) For Greece and Turkey, the report (to be submitted by 15 July 1962) will take account of the special political factors created by their NATO membership and participation in the present Berlin crisis buildup.

3. Agreed that as coordinator of US aid programs, the Director of AID, in full collaboration with other responsible departments, will be responsible for carrying out the above studies. To assist him in an advisory role, he may continue, if he so desires, the Military Assistance Steering Group under AID chairmanship.

4. Agreed that the Director of AID will also study what improved planning and programming techniques are needed so that military and AID programming can be effectively coordinated to insure that total US aid to any given country is used to the best overall advantage. This report, to be submitted

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not later than 1 May 1962, is to include recommendations as to the most effective means, at both country-team and Washington levels, for meshing the AID and MAP planning cycles.

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